



Colorado Springs Utilities
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2020 Rate Case Hearing

**Public Hearing for the Consideration of Resolutions
Setting Water, and Wastewater Rates and
Certain Changes to Electric Rate Schedules and
Utilities Rules and Regulations
Within the Service Areas of Colorado Springs Utilities**

October 22, 2019

2020 Rate Case Agenda

- City Attorney's Office Introductory Briefing
- City Attorney's Office poll regarding *ex parte* material
- Utilities' Presentation: Mr. Scott Shewey, Acting Chief Financial and Planning Officer
- City Auditor Comments: Mr. Denny Nester, City Auditor
- Public Questions/Comments
- City Council Questions/Comments for Utilities to Address
- Break for Utilities' Review and Preparation of Responses (if necessary)

2020 Rate Case Agenda - continued

- Utilities' Responses to Public and City Council Questions (if necessary)
- City Council Deliberation and Discussion of Any Amendments to the Proposed Tariffs (if necessary)
- Executive Session for Legal Considerations (if necessary)
- Identification of Issues by City Attorney's Office and Council Direction Regarding Each Proposed Tariff
- Establish further proceedings as necessary

City Attorney's Office Introductory Briefing

and

City Attorney's Office poll regarding ex parte material

2020 Rate Case

**Proposed Changes to
Water, and Wastewater
Rates and
Certain Changes to
Electric Rate
Schedules and
Utilities Rules and
Regulations**

**Scott Shewey
Acting Chief Planning
and Finance Officer**



2020 Rate Case Overview

- 2020 Rate Case filing based on 2020 Sources & Uses Budget Ordinances and includes proposed changes to:
 - Water Rate Schedules
 - Wastewater Rate Schedules
- The 2020 Rate Case filing will contain the comprehensive proposed changes
 - Cost of Service (COS) prepared following industry standards and practices
 - Rates are designed in compliance with Rate Design Guidelines
- Rate Case filing also includes proposed changes to:
 - Electric Rate Schedules
 - Utilities Rules and Regulations

Procedural Compliance

- ✓ August 9
 - Preliminary COS studies and Rate Case Filing Reports to OCA
- ✓ September 10
 - Request to establish a Public Hearing date and formal filing of the 2020 Rate Case with City Clerk
 - Formal filing electronically provided to City Council
 - Rate Case documents posted on CSU.org website
- ✓ September 12
 - Published Legal Notice in the Gazette
- ✓ October 22
 - 2020 Rate Case Hearing

Water Service

- Total Water Proposed Revenue from Rates is \$208.8 million
 - \$7.1 million higher than revenue under current rates
- Overall system increase 3.5%
 - 5.4% increase for Residential
 - 0.5% increase for Nonresidential
 - 4.7% increase for Large Nonseasonal
 - 7.3% increase for Contract Services – Military
 - 11.8% increase for Nonpotable – Miscellaneous Service



Water Rate Increase Drivers

- Funding the replacement and repair of aging infrastructure
- Inflationary increases in Labor and Operating Costs
- Compliance with the Water Surplus Rates established in City Council Resolution No. 49-18

Water Rate Design Components

- Proposed rate increases are consistent with Rate Design Guidelines of +/- 5% of COS with the following exceptions:
 - Contract Services – Military at 85.5% of COS
- Proposed rates are designed to continue flattening the price signal between blocks or between summer and winter

Water Service

SCHEDULE 2

SUMMARY OF NET REVENUE REQUIREMENT AND PROPOSED REVENUE

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(g) - (d)</u>	<u>(f)</u> <u>(e) / (d)</u>	<u>(g)</u> <u>(d) + (e)</u>	<u>(h)</u> <u>(g) / (c)</u>
1	Residential Service	\$ 105,981,057	\$ 100,569,385	\$ 5,389,460	5.4%	\$ 105,958,845	100.0%
2	Nonresidential Service	82,457,979	83,951,413	387,176	0.5%	84,338,589	102.3%
3	Large Nonseasonal Service	4,942,617	4,720,692	220,911	4.7%	4,941,603	100.0%
4	Contract Service - Military	11,568,978	9,217,747	674,074	7.3%	9,891,822	85.5%
5	Nonpotable - Miscellaneous Service	3,801,686	3,251,748	382,559	11.8%	3,634,306	95.6%
6	Total	\$ 208,752,317	\$ 201,710,985	\$ 7,054,181	3.5%	\$ 208,765,166	100.0%

Note: Residential and Nonresidential values are inclusive of inside and outside city limit service.

Additional Water Tariff Changes

- Nonpotable – Contract Service
 - This filing increases the Commodity Charge by 11.7%, changing the rate from from \$0.0137 to \$0.0153 per cf
- Augmentation
 - This filing increases the Commodity Charge by 4.0%, changing the rate from \$0.0075 to \$0.0078 per cf
- Temporary Service – Hydrant Use
 - This filing increases the Commodity Charge by 4.3%, changing the rate from \$9.8529 to \$10.2807 per 1,000 gallons

Water Shortage Tariff

- This filing removes the current effective Water Rate Schedule – Water Shortage Tariff
- The pricing of the Water Shortage Tariff requires an update
- Additional analysis is required to ensure appropriate price signal for water during periods of shortage that is in alignment with the Water Shortage Ordinance

Wastewater Service

- Total Wastewater Proposed Revenue from Rates is \$71.4 million
 - \$1.4 million higher than revenue under current rates
- Overall system increase 2.0%
 - 1.5% increase for Residential
 - 3.8% increase for Nonresidential
 - 3.5% increase for Contract Services – Military
 - No proposed rate adjustment for Liquid Waste Hauler



Wastewater Rate Increase Drivers

- Funding the replacement and repair of aging infrastructure
- Inflationary increases in Labor and Operating Costs

Wastewater Rate Design Components

- Proposed rate increases are consistent with Rate Design Guidelines of +/- 5% of COS with the following exceptions:
 - Liquid Waste Hauler at 112.1% of COS

Wastewater Service

SCHEDULE 2

SUMMARY OF NET REVENUE REQUIREMENT AND PROPOSED REVENUE

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
(a)	(b)	(c)	(d)	(e) (g) - (d)	(f) (e) / (d)	(g) (d) + (e)	(h) (g) / (c)
1	Residential Service	\$ 53,506,636	\$ 52,709,845	\$ 797,587	1.5%	\$ 53,507,432	100.0%
2	Nonresidential Service	17,363,008	16,727,156	628,621	3.8%	17,355,778	100.0%
3	Contract Service - Military	214,773	206,923	7,303	3.5%	214,226	99.7%
4	Liquid Waste Hauler	329,990	369,875	-	0.0%	369,875	112.1%
5	Total	\$ 71,414,408	\$ 70,013,798	\$ 1,433,512	2.0%	\$ 71,447,310	100.0%

Note: Residential and Nonresidential values are inclusive of inside and outside city limit service.

Additional Wastewater Tariff Changes

- **Contract Service – Outside City Limits**
 - Available by contract outside the City Limits where Utilities' treatment system is available
 - Institutions, plants, organized sewer districts, municipal corporations or other similar organizations and
 - Only with approval by City Council
 - Historically, Outside City Limits wastewater service providers (or wholesale) Customers have received equivalent rate treatment as Inside City Customers
 - Upon review of the COS and overall trends, Utilities determined that it is prudent and appropriate to implement a new methodology going forward

Contract Service – Outside City (S9C)

- Proposing new Average System Cost (excluding certain costs) plus 10% multiplier methodology
 - Removes S9C rate class from COS ratemaking
 - Rate calculation based on an average system-wide wastewater cost
 - Excludes costs not applicable to this service
 - 50% of Collection System
 - 100% of Industrial Pretreatment and Customer Costs
 - Excludes any benefit from Utilities' Misc. and Interest revenue
 - Makes distinction between Inside City and Outside City Customers
 - Inside City:
 - Utilities' obligation to service within jurisdictional territory
 - These rates reflect full responsibility, benefits and risks of municipal utility ownership
 - Outside City:
 - Not subject to Utilities' obligation to serve
 - Customers have the ability to end service from Utilities and seek alternative wastewater service
 - Applies 10% multiplier
 - Industry standard rate design technique affirmed by Colorado courts

Contract Service – Outside City (S9C)

- Proposed methodology insures that Inside City Customers:
 - Receive total benefit of Misc. and Interest revenue, including S9C revenue
 - Does not subsidize Outside City Limit entities for usage of wastewater service
 - Does not require Utilities to make investments that it otherwise would not have to make
 - Existing wastewater infrastructure has sufficient capacity
- The Brattle Group performed an evaluation of proposed methodology
 - Concluded: rate design methodology is a reasonable and defensible commodity charge methodology
- Utilities' meets obligation to customers outside the municipal boundaries
 - Proposed rate is just, reasonable, and not unduly discriminatory for a quality product

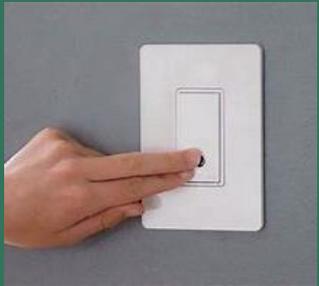
Contract Service – Outside City (S9C)

Proposing rate increase phase-in over 3 years

Line No.	Category	Current Treatment Charge, per cf	Proposed Treatment Charge, per cf	Proposed Increase	Percent Change
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	2020 Average System Cost (excluding certain costs and Misc. Rev)		\$ 0.0284		
2	10% Multiplier		1.10		
3	S9C Treatment Charge	\$ 0.0255	\$ 0.0312	\$ 0.0057	22.4%
4	Proposed Phase-in of Increase: Year One of Three Years	\$ 0.0255	\$ 0.0274	\$ 0.0019	7.5%

Sample Total Service Bill

(Proposed Effective January 1, 2020)



Line No.	Rate Class	Current Effective 11/1/19	Proposed	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	Residential				
2	Electric	\$ 86.57	\$ 86.57	\$ -	0.0%
3	Gas	36.22	36.22	-	0.0%
4	Water	69.71	74.93	5.22	7.5%
5	Wastewater	32.89	33.38	0.49	1.5%
6	Total	\$ 225.39	\$ 231.10	\$ 5.71	2.5%
7	Commercial				
8	Electric	\$ 563.23	\$ 563.23	\$ -	0.0%
9	Gas	503.95	503.95	-	0.0%
10	Water	226.88	231.21	4.33	1.9%
11	Wastewater	112.69	116.26	3.57	3.2%
12	Total	\$ 1,406.75	\$ 1,414.65	\$ 7.90	0.6%
13	Industrial				
14	Electric	\$ 31,699.34	\$ 31,699.34	\$ -	0.0%
15	Gas	4,827.34	4,827.34	-	0.0%
16	Water	2,983.43	3,027.71	44.28	1.5%
17	Wastewater	1,400.49	1,455.76	55.27	3.9%
18	Total	\$ 40,910.60	\$ 41,010.15	\$ 99.55	0.2%

Note: Reflects proposed ECA/GCA Adjustments effective November 1, 2019

Sample Total Monthly Bill Reference

- Sample Total Monthly Bill calculations for current and proposed rates assume:
 - Residential - 30 days, 700 kWh (Electric), 60 Ccf (Natural Gas), 1,100 cf (Water Inside City Limits), and 700 cf (Wastewater Inside City Limits)
 - Commercial - 30 days, 6,000 kWh (Electric), 1,240 Ccf (Natural Gas), 3,000 cf (Water Inside City Limits), and 3,000 cf (Wastewater Inside City Limits)
 - Industrial - 30 days, 400,000 kWh and 1,000 kW (Electric), 12,400 Ccf (Natural Gas), 50,000 cf (Water Inside City Limits), and 50,000 cf (Wastewater Inside City Limits)

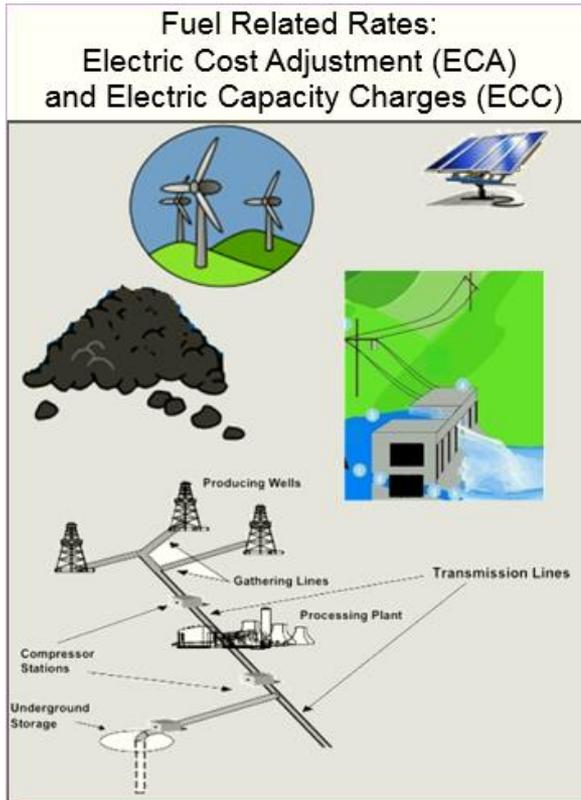


Electric Service

- New renewable energy
Green Power Service
- Addition of Primary Demand
Charge to Industrial Service
Time-of-Day 1,000 kWh/Day
Minimum (ETL) Rate
Schedule
- Routine update of United
States Air Force Academy
On-site Direct-service Solar
Contract table

New Green Power Service Rate Schedule

(Electric Rate Schedule Sheet No. 24)



- Provides up to 100% renewable option for customers
 - Regardless of home ownership or feasibility of on-site solar panels
 - Does not require a large initial capital investment
- Green-e certification
 - Ensures energy is supplied from eligible renewable sources
 - Provides third party verification for sustainability compliance and reporting standards
- Customers subscribe percentage of renewable energy sources
 - Residential: 10% increments beginning at 30% up to 100%
 - Commercial, Industrial, and Special Contract: 10% increments up to 100%

Green Power Service Pricing

- Uses renewable resources from Utilities energy portfolio
 - Easy enrollment maintains Utilities as single point of contact
 - Cost of \$0.0307 per kWh based on the pass-through of most recent utility scale renewable project costs
 - No equipment or long-term financial investment necessary

Line No.	Description	Amount		
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>
1	Green Power Expense	Grazing Yak	Palmer	Total
2	Purchase Power Expenses	\$ 3,182,253	\$ 4,377,353	\$ 7,559,606
3	Green-e Base Fee	5,150	4,120	9,270
4	Green-e Volumetric Fees	3,041	4,855	7,896
5	Total Green Power Expense	\$ 3,190,444	\$ 4,386,328	\$ 7,576,772
6	Estimated Annual kWh	95,021,000	151,728,000	246,749,000
7	Green Power Cost per kWh	\$ 0.0336	\$ 0.0289	\$ 0.0307

Sample Electric Bill Comparison



Green Power - 0% to 100%

Line No.	Rate Class	0% Green Power	100% Green Power	Proposed Increase / (Decrease)	% Change
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	Residential:				
2	Non-Fuel	\$ 69.70	\$ 69.70	\$ -	0.0%
3	Capacity	3.22	3.22	-	0.0%
4	ECA	13.51	-	(13.51)	-100.0%
5	Green Power	-	21.49	21.49	100.0%
6	Total	\$ 86.43	\$ 94.41	\$ 7.98	9.2%
7	Commercial:				
8	Non-Fuel	\$ 421.03	\$ 421.03	\$ -	0.0%
9	Capacity	25.20	25.20	-	0.0%
10	ECA	115.80	-	(115.80)	-100.0%
11	Green Power	-	184.20	184.20	100.0%
12	Total	\$ 562.03	\$ 630.43	\$ 68.40	12.2%
13	Industrial:				
14	Non-Fuel	\$ 22,401.74	\$ 22,401.74	\$ -	0.0%
15	Capacity	1,480.00	1,480.00	-	0.0%
16	ECA	7,737.60	-	(7,737.60)	-100.0%
17	Green Power	-	12,280.00	12,280.00	100.0%
18	Total	\$ 31,619.34	\$ 36,161.74	\$ 4,542.40	14.4%

Note: The sample bill is calculated using existing Non-Fuel, Capacity, and ECA Rates, and the proposed Green Power Service rates assuming: 30 das per month; 700 kWh for Residential (E1R); 6,000 kWh for Commercial (E2C); 400,000 kWh and 1,000 kW for Industrial (E8T). Non-Fuel is comprised of the Access Charge, Facilities Charge, and Demand Charge where applicable.

ETL Primary Demand Charge

- Update Rate Table to include Demand Charge Primary rates for Industrial Service – Time-of-Day 1,000 kWh/Day Minimum (ETL)
- Utilities Rules and Regulations establish provisions for Primary Service
 - Primary Service (highest voltage located on the Customer's Premise)
 - All wiring, pole lines, conductor, transformers and other electric substation distribution equipment, will be provided, owned, installed, and maintained at the Customer's expense
- Primary rates are lower relative to secondary rates due to transformer losses and Customer ownership of equipment
- Addition creates consistency across Industrial Rate Schedules
 - ETL is the only Industrial Rate Schedule without Primary Demand Charges

Update On-site Direct-Service Solar Table

- Update of Special Contract-Military (EINFPRS) payment table (*Electric Rate Schedule Sheet No. 12.2*)
 - Service available to the United States Air Force Academy (USAFA) for solar energy provided from generation facilities located within geographic confines of the USAFA
- The payment table reflects contractually executed amounts with Customer

Year	Amount
2016	\$11,040.81
2017	\$11,261.62
2018	\$11,486.86
2019	\$11,716.59
2020	\$11,950.93
2021	\$12,189.94
2022	\$12,433.74
2023	\$12,682.42
2024	\$12,936.07
2025	\$13,194.79

Utilities Rules and Regulations (URR)



2020 Rate Case - Proposed URR Changes

Summary of Proposed URR Changes:

1. Electric and Natural Gas Line Extension Fees
2. Stormwater Billing for the City of Colorado Springs
3. Water Leak Adjustment
4. Simplify Development Charge Deferral for Affordable Housing
5. Administrative Corrections Related to Fee Table References
6. Administrative Corrections Related to Development Charge Refund and Inactive Service

1) Electric and Natural Gas Line Extension Fees

Location: URR Section I.B.1., Sheet Nos. 13 and 14
URR Section VII.G.2., Sheet No. 74

Background: Utilities performs periodic detailed cost analysis that identified significant cost increases in 2019 primarily in boring and labor.

Change: Update fees to capture 7.5% increase in electric and 10.0% increase in natural gas costs

Impact: Appropriate recovery of costs through Line Extension Fees

Electric Line Extension Fees

- Propose 7.5% increase to estimated extension cost

Residential	Electric (Single Service)			Electric (Joint Service)		
	Current	Proposed	Incr	Current	Proposed	Incr
Single-phase primary distribution line, cost per linear ft	\$ 18.40	\$ 19.78	\$1.38	\$ 15.54	\$ 16.71	\$1.17
3-phase main line, 22-75 circuit ft, cost per circuit ft	\$ 11.37	\$ 12.22	\$0.85	\$ 11.37	\$ 12.22	\$0.85
3-phase main line, 75-175 circuit ft, cost per circuit ft	\$ 22.74	\$ 24.45	\$1.71	\$ 22.74	\$ 24.45	\$1.71
3-phase underground main line, >175 circuit ft, cost per circuit ft	\$ 54.74	\$ 58.85	\$4.11	\$ 54.74	\$ 58.85	\$4.11

Commercial & Industrial	Electric (cost per circuit ft)		
	Current	Proposed	Incr
3-phase main line, 6-20 circuit ft	\$ 11.37	\$ 12.22	\$0.85
3-phase main line, 20-50 circuit ft	\$ 22.74	\$ 24.45	\$1.71
3-phase underground main line, >50 circuit ft	\$ 54.74	\$ 58.85	\$4.11

Natural Gas Line Extension Fees



City Council Volume No. 6
~~Original~~ Sheet No. 74
Cancels Original Sheet No. 74

UTILITIES RULES AND REGULATIONS

NATURAL GAS

Natural Gas – cont'd

The Applicant will execute an Extension Contract for installation of all new facilities necessary to serve the development. Contracts for economically feasible extensions, as determined by Utilities, under \$100,000.00 in total estimated extension cost will be required to pay ~~20~~30% of the estimated extension cost in addition to the specified design fee, as a non-refundable payment.

2) Stormwater Billing for the City of Colorado Springs

- Location:** URR Section I.B., Sheet No. 13; URR Section III.A.1., Sheet Nos. 24 and 25; and URR Section V.I.1., Sheet No. 50
- Background:** Resolution No. 46-18 was approved May 8, 2018, that authorized the City of Colorado Springs to contract with Utilities for the invoicing, billing, and collection of residential Stormwater service fees. The modified URR created consistency and eliminated ambiguity with the Issue 2A and City Code.
- Change:** Eliminate references to “residential” in the URR so that Utilities can bill both residential and nonresidential stormwater charges
- Impact:** Neutral

UTILITIES RULES AND REGULATIONS

GENERAL

Receiving Service – cont'd

- g. In invoicing, billing, and collecting (collectively “billing”) ~~residential~~ Stormwater service fees in accordance with City Code Section 14.8.109, Utilities will bill the established fee in each applicable Utilities bill period to each applicable customer through Utilities’ standard billing practices. Utilities’ applicable customers constitute owners or occupants of ~~residential~~ property as stated in the listed City Code Section. Utilities’ bill periods may not align with calendar months, but customers will be billed the appropriate Stormwater service fees over time. ~~Residential~~ Stormwater service fees are due in full upon billing in accordance with provision (a) of this section. Utilities may prorate ~~residential~~ Stormwater service fees when an applicable customer is billed for a partial bill period. Upon termination of utility service, no partial ~~residential~~ Stormwater service fee refunds will be granted, as the Stormwater service fee is incurred in full upon billing.. Except for refunds processed through Utilities’ standard operating procedures, in the event of any refunds for ~~residential~~ Stormwater service fees paid over to the City, the City will be responsible for making such refunds.

3) Water Leak Adjustment

Location: URR Section III.E.1.a., Sheet No. 28

Background: Utilities will be implementing a program for early meter sets to facilitate construction activity. These early sets may include lost water due to the nature of the work in pre-final configuration.

Change: Clarify that the Water Leak Adjustment Program is not available prior to issuance of Certificate of Occupancy by the Regional Building Department

Impact: Neutral

UTILITIES RULES AND REGULATIONS

GENERAL

Receiving Service – cont'd

E. Water Leak Adjustment

1. General

- a. The Water Leak Adjustment Program is intended to provide financial relief to Customers who experience extremely high water use as a result of a leak. The Water Leak Adjustment Program is not available prior to issuance of Certificate of Occupancy by the Regional Building Department. Water leak adjustments are limited to two per Premises in any 36-month period. Water leak adjustments may span a maximum of two billing periods.

4) Simplify Development Charge Deferral for Affordable Housing

Location: Water - URR Section VIII.A.13., Sheet Nos. 87-90 Wastewater - URR Section IX.B.11., Sheet Nos. 109-112

Background: On July 18, 2018, UPAC proposed and Utilities Board approved a recommendation to simplify the Affordable Housing deferred Water (WDC) and Wastewater (WWDC) development charge program

Change: Provide one deferral program for WDC and another for WWDC that keeps the most favorable terms for the customer from the existing programs

Impact: Minimal

Current Effective – Program A and B

PROGRAM A

Affordable Housing project targeting individuals whose **income is greater than 50%, but not exceeding 80%** of the area median income.

A1 - Owner Occupied:

***25%** of total WDC & WWDC is due at time of application for utilities.
***75%** of total WDC & WWDC plus any applicable interest is due at first subsequent sale of property or payable at any time prior to that date, at the Owner's option in five annual payments as follows:

- 6th year – 20%
- 7th year – 20%
- 8th year – 20%
- 9th year – 20%
- 10th year – 20% Final Payment

A2 – All others including ownership by corporations, partnerships, etc.:

***25%** of total WDC & WWDC is due at time of application for utilities.
***75%** of total WDC & WWDC plus any applicable interest is due beginning in the sixth year after deferral (or payable at any time prior to that date at Owner's option) and for four years thereafter. Repayment of the 75% deferral is collected annually as follows:

- 6th year – 20%
- 7th year – 20%
- 8th year – 20%
- 9th year – 20%
- 10th year – 20% Final Payment

PROGRAM B

Affordable Housing projects targeting individuals whose **income is equal to or less than 50%** of the area median income.

B1 - Owner Occupied:

***Zero** percent of total WDC & WWDC is due at time of application for utilities.
***100%** of total WDC & WWDC plus any applicable interest is due at first subsequent sale of property, or payable at any time prior to that date, at Owner's option, in five annual payments as follows:

- 6th year – 20%
- 7th year – 20%
- 8th year – 20%
- 9th year – 20%
- 10th year – 20% Final Payment

B2 - All others, including ownership by corporations, partnerships, etc.:

***Zero** percent of total WDC & WWDC is due at time of application for utilities.
***100%** of total WDC & WWDC plus any applicable interest is due beginning in the sixth year after deferral (or at any time prior to that date at Owner's option) and for four years thereafter. Repayment of the 100% of WDC deferral is collected annually as follows:

- 6th year – 20%
- 7th year – 20%
- 8th year – 20%
- 9th year – 20%
- 10th year – 20% Final Payment

Proposed Simplification

PROGRAM –

Affordable Housing project targeting individuals whose **income is less than 80%** of the area median income.

***Zero** percent of total WDC & WWDC is due at time of application for utilities.

***100%** of total WDC & WWDC plus any applicable interest is due at:

- first subsequent sale of property,
- beginning in the sixth year after deferral and for four years thereafter,
- or at any time prior to beginning of the sixth year after deferral at Owner's option.

Repayment of the 100% of WDC deferral is collected annually as follows:

6th year – 20%

7th year – 20%

8th year – 20%

9th year – 20%

10th year – 20% Final Payment

5) Administrative Corrections Related to Fee Table References

- Location:** General - URR Section I.B., Sheet Nos. 13 – 15 and an additional 13 sheets in service specific Sections of the URR that reference the fee table.
- Background:** In 2017, all the fees were moved to fee table. The description and fee amount throughout the tariff are correct; however, references require updating.
- Change:** Eliminate inaccurate references on fee table and correct fee references to fee table. There is no change to fee amounts as a result of this administrative correction.
- Impact:** Neutral

Example of Corrections to Fee Table References

City Council Volume No. 6
Original-First Revised Sheet No. 15
Cancels Original Sheet No. 15



UTILITIES RULES AND REGULATIONS

GENERAL

Fees – cont'd

DESCRIPTION	AMOUNT	REFERENCE
WATER		
Water Service Permit Fee		Water, Sheet No. 9896-97
<ul style="list-style-type: none"> • Initial inspection \$80 • Reinspection/return trip (each) \$50 		
Water non-compliance		Water, Sheet No. 98-99
<ul style="list-style-type: none"> • First violation \$0 - \$5,000 • Second & subsequent violations \$5,000 - \$10,000 		
WASTEWATER		
Wastewater non-compliance with Utilities' Line Extension and Service Standards		Wastewater Sheet No. 404103
<ul style="list-style-type: none"> • First violation \$0 - \$500 • Second & subsequent violations \$500 - \$1,000 		
Wastewater, Emergency and After-Hours Inspection	Time and Materials Cost	Wastewater, Sheet No. 404103
Residential Wastewater Fees (including mobile homes, townhouses)		Wastewater, Sheet No. 404103
<ul style="list-style-type: none"> • New Connection \$80 • Additional installation, repair or alteration \$100 • Reinspection \$50 		
Multi-Family Wastewater Fees, per service line		Wastewater, Sheet No. 104
<ul style="list-style-type: none"> • New Connection \$100 • Additional installation, repair or alteration \$120 • Reinspection \$70 		
Nonresidential Wastewater, without grease trap		Wastewater, Sheet No. 404105-106
<ul style="list-style-type: none"> • New Connection \$100 • Additional installation, repair or alteration \$120 • Reinspection \$70 		
Nonresidential Wastewater, with grease trap or sand/oil interceptor		Wastewater, Sheet No. 104
<ul style="list-style-type: none"> • New Connection \$175 • Additional installation, repair or alteration \$195 • Reinspection \$145 		
Wastewater Discharge Permit Fee, per calendar year (no pro-rata)	\$1,132	Wastewater, Sheet No. 448117
Wastewater Zero Discharge Permit Fee	\$50	Wastewater, Sheet No. 448117



City Council Volume No. 6
Original-First Revised Sheet No. 117
Cancels Original Sheet No. 117

UTILITIES RULES AND REGULATIONS

WASTEWATER

Wastewater – cont'd

6. Recovery Agreement Reimbursement

The agreement holder's rights to reimbursement under the provisions of the Recovery Agreement will not exceed the construction costs plus the interest factor for a period of 20 years from execution of the agreement, unless Utilities approves a contract period exceeding that time. The agreement holder's rights to reimbursement expires two years after expiration of the Recovery Agreement. No requests for reimbursement by the agreement holder made more than two years after the expiration date will be considered by Utilities.

E. Discharge Permit Fee

1. A Discharge Permit Fee ~~of \$1,132.00~~ will be assessed to all significant industrial users proposing to connect to, and discharge into, any part of the wastewater treatment system and collected at the time of application. This fee is non-refundable and will not be assessed on a pro rata basis. See Section I.B. Fee Table.

6) Administrative Corrections Related to Development Charge Refund and Inactive Service

Location: Water - URR Section VIII.A.9 and 10., Sheet No. 86 and Wastewater - URR Section IX.B.7 and 8., Sheet No. 108

Background: Resolution No. 9-16 was approved January 26, 2016 and eliminate inactive and abandoned status and reconnection charges for Water and Wastewater services in tandem with changes made to Colorado Springs City Code

Change: Eliminate obsolete verbiage related to Development Charge Refund and Inactive Service that should have been deleted in 2016

Impact: Neutral



UTILITIES RULES AND REGULATIONS

WATER

Water – cont'd

9. Request for WDC Refund

Requests for a refund of the WDC for connections not constructed must be made in writing to Utilities within two years of payment of the WDC. No refunds of any such charges will be made unless a request is received by Utilities within two years of payment and no service has been connected. ~~Any charges which are not refunded are retained by Utilities as a contribution in aid of construction. Payment for WDC may be applied within 19 years as a credit towards the payment of the WDC for connection of the same land parcel, which may become due thereafter.~~

~~In any event, no credit will be given after 19 years or more from the date of discontinuance of use of the existing connection or payment of the unused WDC.~~

10. Inactive Water Service

In the event that a service line was classified as abandoned and/or inactive through prior Utilities' Rules and Regulations standards and/or City Code provisions ~~(prior to March 1, 2016)~~, the property Owner(s) may request to reestablish utility service from Utilities and Utilities shall reestablish the service upon payment of applicable fees and compliance with applicable rules and regulations.



UTILITIES RULES AND REGULATIONS

WASTEWATER

Wastewater – cont'd

7. Request for WWDC Refund

Requests for a refund of the WWDC for connections not constructed must be made in writing to Utilities within two years of payment of the WWDC. No refunds of any such charges will be made unless a request is received by Utilities within two years of payment and no service has been connected. ~~Any charges which are not refunded are retained by Utilities as a contribution in aid of construction. Payments for WWDC may be applied within 20 years as a credit towards the payment of the WWDC for connection of the same land parcel, which may become due thereafter.~~

~~In any event, no credit will be given after 20 years or more from the date of discontinuance of use of the existing connection or payment of the unused WWDC.~~

8. Inactive Wastewater Service

In the event that a service line was classified as abandoned and/or inactive through prior Utilities' Rules and Regulations standards and/or City Code provisions ~~(prior to March 1, 2016)~~, the property Owner(s) may request to reestablish utility service from Utilities and Utilities shall reestablish the service upon payment of applicable fees and compliance with applicable rules and regulations.

Customer Outreach

Residential
Make a payment
Re:Sources blog
Utilities Board
Rebates

Business
Pay My Bill
First Source e-newsletter
Rates & tariffs
Backflow prevention

Work With Us
GIS Mapping Services
Construction standards
Economic development
Procurement & contract services

My Account
User ID
Password
Login
Forgot User ID
Forgot Password
Register Residential Account
Register Business Account

CHANGING THE CURRENT
Service outages

Electric vehicles
Electric Vehicles are quiet, clean and efficient. They also save money on fuel and maintenance costs, and help reduce environmental impacts.
This week is National Drive Electric Week, a nationwide celebration to heighten awareness of today's widespread availability of plug-in vehicles and highlight the benefits of all-electric and plug-in hybrid-electric cars, trucks, motorcycles, and more.

CUSTOMER SERVICE
2020 Rates & Budget
For 2020, we're proposing changes to water and wastewater rates.
Backflow prevention
Annual testing of commercial assemblies is due Oct. 1, 2019.

SAVE NOW!
Electric time of use rate
You may be able to save money on your electric bill with our time of use rate option.
Efficiency rebates
There's still time to unlock savings on efficient products!

Colorado Springs Utilities
Published by Natalie Watts [?] · September 10 at 4:53 PM · 🌐

Today we filed the 2020 rate case with Colorado Springs City Council. If approved, the water & wastewater increases will help pay for repair and refurbishment of our aging systems. Learn more: <http://www.csu.org/Pages/resbaserates.aspx>

Proposed Residential Rate Changes

	Sample bill Sept. 1, 2019	Sample bill Jan. 1, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Electric	\$86.43	\$86.43	\$0	0%
Natural Gas	\$34.56	\$34.56	\$0	0%
Water	\$69.71	\$74.93	\$5.22	7.5%
Wastewater	\$32.89	\$33.38	\$0.49	1.5%
Total impact to sample monthly bill	\$223.59	\$229.30	\$5.71	2.6%

1,178 People Reached 36 Engagements **Boost Post**

👍 8 1 Comment

👍 Like 💬 Comment ➦ Share

Website & social media

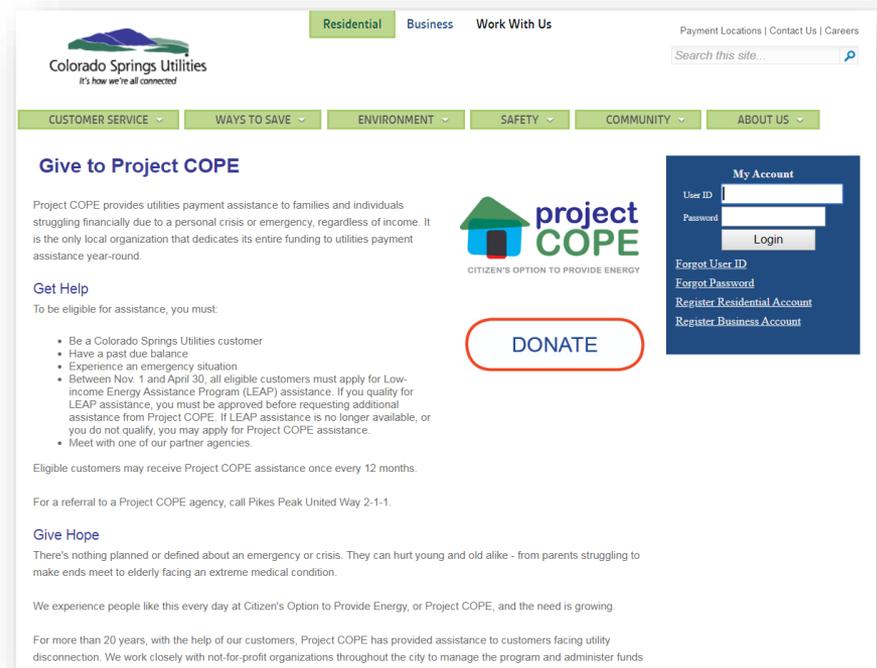
Proposed bill changes described in:

- csu.org website
- Electronic customer newsletters
 - First Source (business customers)
 - Smart Home (residential customers)
- One-on-one meetings with large business customers
- Community and customer group presentations
- Utilities Board and City Council meetings
- Social media channels

Proposed Residential Rate Changes		Sample bill Sept. 1, 2019	Sample bill Jan. 1, 2020	\$ Increase (Decrease)	% Increase (Decrease)
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Programs Helping Customers

- Bill assistance
 - Project COPE (Citizens Option to Provide Energy) Program
 - Low income Energy Assistance Program (LEAP)
- High Bill Counseling
 - Conservation Education
 - Home Energy Assistance Program (HEAP)
- Payment Plans
 - Budget billing



The screenshot displays the Colorado Springs Utilities website. At the top, there is a navigation bar with links for Residential, Business, and Work With Us. Below this is a search bar and a secondary navigation bar with links for Customer Service, Ways to Save, Environment, Safety, Community, and About Us. The main content area features a section titled "Give to Project COPE" with a description of the program and a list of eligibility criteria. A "DONATE" button is highlighted with a red border. To the right, there is a "My Account" section with fields for User ID and Password, and a Login button. Below the login fields are links for "Forgot User ID", "Forgot Password", "Register Residential Account", and "Register Business Account".

Colorado Springs Utilities
It's how we're all connected

Residential Business Work With Us
Payment Locations | Contact Us | Careers
Search this site...

CUSTOMER SERVICE WAYS TO SAVE ENVIRONMENT SAFETY COMMUNITY ABOUT US

Give to Project COPE

Project COPE provides utilities payment assistance to families and individuals struggling financially due to a personal crisis or emergency, regardless of income. It is the only local organization that dedicates its entire funding to utilities payment assistance year-round.

Get Help

To be eligible for assistance, you must:

- Be a Colorado Springs Utilities customer
- Have a past due balance
- Experience an emergency situation
- Between Nov. 1 and April 30, all eligible customers must apply for Low-income Energy Assistance Program (LEAP) assistance. If you qualify for LEAP assistance, you must be approved before requesting additional assistance from Project COPE. If LEAP assistance is no longer available, or you do not qualify, you may apply for Project COPE assistance.
- Meet with one of our partner agencies.

Eligible customers may receive Project COPE assistance once every 12 months.

For a referral to a Project COPE agency, call Pikes Peak United Way 2-1-1.

Give Hope

There's nothing planned or defined about an emergency or crisis. They can hurt young and old alike - from parents struggling to make ends meet to elderly facing an extreme medical condition.

We experience people like this every day at Citizen's Option to Provide Energy, or Project COPE, and the need is growing.

For more than 20 years, with the help of our customers, Project COPE has provided assistance to customers facing utility disconnection. We work closely with not-for-profit organizations throughout the city to manage the program and administer funds.

project COPE
CITIZEN'S OPTION TO PROVIDE ENERGY

My Account
User ID
Password
Login
Forgot User ID
Forgot Password
Register Residential Account
Register Business Account

DONATE

Office of City Auditor



Denny Nester
City Auditor

Public Questions and Comments

Proposed Changes to
Water, and Wastewater Rates and
Certain Changes to Electric Rate Schedules
and Utilities Rules and Regulations

City Council Questions and Comments

Proposed Changes to
Water, and Wastewater Rates and
Certain Changes to Electric Rate Schedules
and Utilities Rules and Regulations

Break
(if necessary)

Utilities' Response

(if necessary)

Executive Session **For Legal Considerations** (if necessary)

Identification of Issues by City Attorney's Office And Council Direction Regarding

Proposed changes to
Water, and Wastewater Rates and
Certain Changes to Electric Rate Schedules
and Utilities Rules and Regulations



Colorado Springs Utilities[®]

It's how we're all connected